



SACHI A. HAMAI  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

*"To Enrich Lives Through Effective And Caring Service"*

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# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

17 November 5, 2019

CELIA ZAVALA  
EXECUTIVE OFFICER

November 05, 2019

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS EXPRESSING THE  
INTENT OF THE COUNTY OF LOS ANGELES TO PARTICIPATE IN THE CITY OF  
REDONDO BEACH ENHANCED INFRASTRUCTURE FINANCING DISTRICT  
(FOURTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Recommendation to adopt a Resolution to express the intent of the County to participate in the Redondo Beach Enhanced Infrastructure Financing District.

**IT IS RECOMMENDED THAT THE BOARD:**

Approve a Resolution to express the County's intent to participate in the Redondo Beach Enhanced Infrastructure Financing District.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the Resolution of Intent of the Board of Supervisors is to indicate the County's intent to participate in the proposed Redondo Beach Enhanced Infrastructure Financing District (EIFD). A future resolution of the Board of Supervisors approving the Infrastructure Financing Plan (IFP) will be required for the County to formally participate in the EIFD.

On September 29, 2014, the governor approved SB 628, which authorized the formation of EIFDs. An EIFD is a limited tax increment financing district created after the dissolution of redevelopment agencies in 2012. An EIFD allows two or more governmental entities to agree to contribute a portion

of their property tax revenues from a defined district for the construction of infrastructure projects. Schools cannot participate in EIFDs, no new taxes are created, and participation is voluntary.

The purpose of the Redondo Beach EIFD is to assist in the conversion of a natural gas power plant to a more productive use that will include a new regional park, restored wetlands, and private development. This unique endeavor will require a significant infrastructure investment that is beyond the means of the City. The proposed EIFD, the City, and a Proposition 68 grant will finance \$93 million of infrastructure projects including: 1) land acquisition; 2) power line removal/undergrounding; 3) circulation improvements; 4) park amenities; and 5) a parking structure.

### **FISCAL IMPACT/FINANCING**

Based on a preliminary fiscal analysis, the CEO indicates that the estimated development activity will generate greater future property taxes for the County net of its contribution to the EIFD, than if the County did not participate in the EIFD and the transformation of the power plant did not occur. The County will likely contribute approximately 60 percent of its share of property tax increment. It is expected that the EIFD will have a positive net impact on the County General Fund due to the increased assessed values in the district. If successful, the region will benefit from the EIFD from the new park, restored wetlands, commercial development, and removal of the power plant.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The law authorizing creation of EIFDs, California Government Code Section 53398.50 et seq (EIFD law), took effect in 2015. The EIFD law was established to provide a tool to finance local infrastructure after the dissolution of redevelopment agencies. On May 7, 2019, the City of Redondo Beach approved Resolution No. 1905-024, a resolution of intent to establish the City of Redondo Beach Enhanced Infrastructure Financing District No. 1. The City is now preparing the IFP for the proposed EIFD. Section 53398.63 of the EIFD Law requires the IFP to include: 1) descriptions of the infrastructure improvements and development projects within the EIFD; 2) a plan for financing the infrastructure projects; 3) tax increment projections; 4) limits on the time the EIFD will exist and the dollar amounts the EIFD will receive; and 5) the anticipated incremental tax revenue contributions from each taxing entity expected to participate in the EIFD.

The IFP, which will detail the County's anticipated contribution to the EIFD, will be presented to the Board for approval at a later date, after it has been prepared by the City. The IFP must be approved by the Board by resolution before any incremental tax revenue from the County is contributed to the proposed EIFD. The IFP must also be approved by the Public Financing Authority (PFA), which is the governing body of the EIFD, at a public hearing to form the proposed Redondo Beach EIFD.

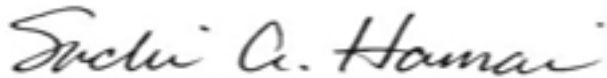
### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Because the development is within the City of Redondo Beach, the direct impact on the County for services will be minimal. The estimate on the positive fiscal impact to the County will be included in the IFP. Benefits of the projects include: 1) removal of an outdated power plant; 2) creation of a new park; 3) restoration of wetlands; 4) new commercial activity; 5) creation of new jobs; and 6) improved circulation in the area.

**CONCLUSION**

Upon Board approval, please return two signed copies of the Resolution and one stamped copy of the adopted Board letter to the Chief Executive Office, Economic Development Division for further processing.

Respectfully submitted,

A handwritten signature in cursive script, reading "Sachi A. Hamai".

SACHI A. HAMAI  
Chief Executive Officer

SAH:FAD:JO  
RM:acn

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller

**RESOLUTION OF INTENT OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF LOS ANGELES TO PARTICIPATE IN THE PROPOSED  
CITY OF REDONDO BEACH ENHANCED INFRASTRUCTURE FINANCING DISTRICT  
AND NEWLY FORMED PUBLIC FINANCING AUTHORITY**

**WHEREAS**, on May 7, 2019, the City Council of the City of Redondo Beach (City Council) approved Resolution No. 1905-024, which is attached to this Resolution as Exhibit A (Exhibit A); and

**WHEREAS**, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the EIFD Law), Exhibit A authorized the initiation of a process to establish an Enhanced Infrastructure Financing District (EIFD) whose proposed name is the "City of Redondo Beach Enhanced Infrastructure Financing District No. 1" (Redondo Beach EIFD); and

**WHEREAS**, the proposed boundaries of the Redondo Beach EIFD are identified on a map entitled "Proposed Boundaries of the Redondo Beach EIFD", a copy of which is attached to this Resolution as Exhibit B; and

**WHEREAS**, the proposed Redondo Beach EIFD will be used to finance certain public facilities within the proposed boundaries of the Redondo Beach EIFD; and

**WHEREAS**, Exhibit A also established a Public Financing Authority (PFA) to serve as the governing body of the proposed EIFD, and which will also be responsible for implementing the Infrastructure Financing Plan (IFP) required under EIFD Law; and

**WHEREAS**, the City Council has proposed, as stated in Exhibit A, that the County of Los Angeles participate with the City of Redondo Beach in the proposed Redondo Beach EIFD as a taxing entity; and

**WHEREAS**, pursuant to Government Code Section 53398.51.1, and as stated in Exhibit A, if the County of Los Angeles participates in the proposed Redondo Beach EIFD as a taxing entity, a member of the Board shall be a member of the PFA.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County of Los Angeles that:

1. The Board intends that the County of Los Angeles will participate in the Redondo Beach EIFD as described in Exhibit A as a taxing entity if the Board of Supervisors approves the IFP at a later hearing date;
2. Pursuant to Government Code Section 53398.51.1 and Exhibit A, as a potential participating taxing entity in the proposed Redondo Beach EIFD, the County of Los Angeles will have membership in the newly formed PFA described in Exhibit A. The Fourth District member of the Board of Supervisors shall be one member of the PFA, whose membership will also include the Mayor of the City of Redondo Beach, one member of the City Council appointed by the City Council, one member of the public appointed by the Redondo Beach City Council, and one member of the public appointed by the Board of Supervisors;

3. Redondo Beach City staff will prepare the IFP in accordance with EIFD Law;
4. The IFP will be presented to the Board of Supervisors at its \_\_\_\_\_, 2020 regular meeting, or as soon thereafter as the matter may be heard, for approval;
5. The IFP must be approved by the Board of Supervisors before any incremental tax revenue from the County of Los Angeles will be used by the proposed Redondo Beach EIFD. The IFP must also be approved by the Board of Supervisors before a public hearing is held for formation of the proposed Redondo Beach EIFD, and approval of the IFP by the PFA;
6. As stated in Exhibit A, Redondo Beach City staff will be responsible for the distribution of the IFP and any required California Environmental Quality Act reports to the PFA, the Redondo Beach Planning Commission, land owners within the boundaries of the proposed Redondo Beach EIFD (as defined under EIFD Law), and each affected taxing entity (as defined under EIFD Law) as required under California Government Code Section 53398.64 for formation of the proposed Redondo Beach EIFD;
7. As stated in Exhibit A, the Redondo Beach City Clerk is responsible for the mailing and publication of notice, as required under EIFD Law (California Government Code Sections 53398.60, 53398.61, 53398.66), for formation of the proposed Redondo Beach EIFD. The County of Los Angeles, and its staff, will have no responsibilities for the required mailing and publication of notice;
8. The PFA will hold a public hearing for the establishment of the proposed Redondo Beach EIFD and approval of the IFP at the Redondo Beach City Council Chambers. Under no condition, will the PFA hold the public hearing for the establishment of the proposed Redondo Beach EIFD and approval of the IFP until the Board of Supervisors has formally approved the IFP;
9. This resolution in no way obligates the County of Los Angeles to use incremental tax revenue to finance public facilities in the proposed Redondo Beach EIFD until the Board of Supervisors approves the IFP;
10. This Resolution in no way obligates the PFA to establish the proposed Redondo Beach EIFD. As stated in Exhibit A, the establishment of the proposed Redondo Beach EIFD and approval of the IFP is contingent upon the approval by the PFA by resolution and ordinance following a public hearing; and
11. This Resolution shall take effect immediately upon its approval by the Board of Supervisors of the County of Los Angeles.

By Deputy

By M.S. Baif  
Deputy County Counsel

[illegible]

**RESOLUTION NO. 1905-024**

**A RESOLUTION OF INTENT OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, PROPOSING TO ESTABLISH ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO.1 TO FINANCE THE CONSTRUCTION AND/OR ACQUISITION OF CAPITAL IMPROVEMENTS, ESTABLISHING A PUBLIC FINANCING AUTHORITY, AND AUTHORIZING CERTAIN OTHER ACTIONS RELATED THERETO**

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the "EIFD Law"), the City Council of the City of Redondo Beach ("Council") is authorized to initiate the process to establish an Enhanced Infrastructure Financing District ("EIFD"); and

WHEREAS, in accordance with Section 53398.54, the City has complied with the prerequisites prior to initiating the creation of or participating in the governance of the EIFD and will provide the required certification to the Department of Finance in accordance with EIFD Law; and

WHEREAS, the Council proposes the establishment of an EIFD to finance certain public facilities; and

WHEREAS, the proposed boundaries of the EIFD are identified on a map entitled "Proposed Boundaries of City of Redondo Beach's EIFD No. 1" a copy which is on file in the office of the City Clerk; and

WHEREAS, the EIFD will be formed by a Public Finance Authority ("PFA") which will be the governing board of the EIFD and will be responsible for implementing the Infrastructure Financing Plan ("IFP");

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH DOES HEREBY RESOLVE AS FOLLOWS:

**SECTION 1. Recitals.** The above recitals are true and correct.

**SECTION 2. Intention and Proposal to Establish Enhanced Infrastructure Financing District.** The Council proposes and intends to cause the establishment of an EIFD under the provisions of EIFD Law.

**SECTION 3. Name of Enhanced Infrastructure Financing District.** The name proposed for the Enhanced Infrastructure Financing District is "City of Redondo Beach Enhanced Financing District No. 1".



**SECTION 4. Description of Boundaries.** The proposed boundaries of the EIFD are as shown on the map of the EIFD on file in the office of the City Clerk, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars.

**SECTION 5. Description of Facilities.** The types of public facilities proposed to be financed by the EIFD and pursuant to the EIFD Law are those listed as facilities on Exhibit A, attached hereto and incorporated herein (the "Facilities").

**SECTION 6. Necessity of EIFD and Goal.** The Council hereby finds that the EIFD is necessary for the area within the EIFD and the City. The Council's goal for the EIFD is to create the means by which to assist in the provision of public facilities of communitywide significance that provide significant benefits within the boundaries of the EIFD or the surrounding community and, for those facilities located outside the EIFD boundaries, also have a tangible connection to the EIFD.

**SECTION 7. Use of Incremental Tax Revenues.** The Council hereby declares that, pursuant to the EIFD Law and if approved by resolution pursuant to Government Code Section 53398.68, incremental property tax revenue from the City, but not from any of the other affected taxing entities within the EIFD absent an election to do so adopted in accordance with Section 53398.68, will finance the Facilities. The incremental property tax financing will be described in an IFP to be prepared for the PFA and the Council under the EIFD Law.

**SECTION 8. Establishment of Public Financing Authority.**

A. The Council hereby establishes a Public Financing Authority to serve as the governing board of the EIFD. The PFA membership shall be comprised initially by the Mayor, two members of the Council appointed by the Council, and two public members. Members shall serve at the pleasure of the Council and shall serve until their successor assumes office.

B. The Council further declares that should Los Angeles County agree to participate as a taxing entity, the PFA membership shall be comprised initially of the Mayor, one member of the Council appointed by the Council, one member of the County Board of Supervisors, one member of the public selected by the Council, and one member of the public selected by the Los Angeles County Board of Supervisors. Members shall serve at the pleasure of their respective appointing legislative bodies and shall serve until their successor assumes office.

C. The members are subject to compliance with the EIFD Law and Government Code Section 54974.

**SECTION 9. Preparation of Infrastructure Financing Plan.** The Council hereby requests the PFA to direct City staff and the Kosmont Companies to prepare the Infrastructure Financing Plan in accordance with the EIFD Law.

**SECTION 10. Distribution of Infrastructure Financing Plan.** The Council hereby directs the City staff to distribute the Infrastructure Financing Plan to each owner of land within the boundaries of the EIFD and each affected taxing entity, together with any report required by the California Environmental Quality Act. The Council hereby authorizes City staff to also distribute the Infrastructure Financing Plan to the PFA and the City Planning Commission.





**SECTION 11. Public Hearing.** The Council hereby fixes Tuesday, August 13, 2019, at the hour of 6:00p.m. or as soon as possible thereafter as the matter may be heard, at the Council Chambers, 415 Diamond Street, Redondo Beach, California, as the time and place, when and where the PFA will conduct a public hearing on the proposed establishment of the EIFD and the Infrastructure Financing Plan.

**SECTION 12. Mailing and Publication of Notice.** The City Clerk is hereby directed to mail a copy of this Resolution to the PFA and each owner of land (as defined in the EIFD Law) within the EIFD and to each affected taxing entity (as defined in the EIFD Law). In addition, the City Clerk is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the EIFD will be used to finance public works, briefly describe the Facilities, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed EIFD and state the day, hour, and place, when and where any persons having any objections to the proposed Infrastructure Financing Plan, or the regularity of any of the prior proceedings, may appear before the PFA and object to the adoption of the proposed Infrastructure Financing Plan.

**SECTION 13. Establishment of EIFD.** This Resolution in no way obligates the PFA to establish the EIFD. The establishment of the EIFD is subject to the approval of the PFA by resolution and an ordinance following the holding of the public hearing referred to above.

**SECTION 14. Severability.** If any section, subsection, phrase or clause of this Resolution is for any reason found to be invalid, such section, subsection, phrase or clause shall be severed from, and shall not affect the validity of, all remaining portions of this Resolution that can be given effect without the severed portion.

**SECTION 15. General Authorization.** The Mayor and City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

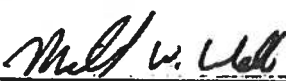
**SECTION 16.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**PASSED, APPROVED AND ADOPTED** this 7<sup>th</sup> day of May, 2019.

  
William C. Brand, Mayor

**APPROVED AS TO FORM:**

**ATTEST:**

  
Michael W. Webb, City Attorney

  
Eleanor Manzano, CMC City Clerk



STATE OF CALIFORNIA       )  
COUNTY OF LOS ANGELES    )       SS  
CITY OF REDONDO BEACH     )

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-1905-024 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 7<sup>th</sup> day of May, 2019, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:       NEHRENHEIM, LOEWENSTEIN, HORVATH, GRAN, EMDEE

NOES:       NONE

ABSENT:     NONE

ABSTAIN:    NONE

  
Eleanor Manzano, CMC  
City Clerk



*EIFD Planning Area*

